IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE SIXTH DAY OF SEPTEMBER
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

WRIT PETITION NO : 14177 of 2004

Between:

M/s.Srinivasa Constructions Limited

..... PETITIONER

AND

1 The Government of A.P., rep. by its Secretary, Irrigation & CAD (PWD) Department, Secretary, Hyderabad and four others.

.. RESPONDENTS

ORDER:

Heard the learned counsel for the petitioner and the learned Government Pleader for Irrigation appearing for the respondents.

2. This Writ Petition is filed seeking a declaration that the action of the respondents in seeking the deduct seigniorage charges on ordinary earth (CNS Soils) used in the construction works from the petitioenr's running bills as illegal, arbitrary and illegal.

3. Initially, this Court while issuing notice to the respondents granted interim direction by order dated

19-08-2004, directing the respondents not to recover the seigniorage charges on the ordinary earth from the running account bills of the petitioner until further orders.

4. Now in the counter affidavit filed on behalf of the respondents, it is stated as under:

> "It is submitted that the seigniorage charges on the ordinary earth were not included in the estimate and consequently not covered by the agreement. Hence the seigniorage charges on ordinary earth and C.N.S. soils were not recovered in the running bills. It is a fact that the matter was referred to the Government for clarification by the 2nd respondent. After discussion at Government level the 2nd respondent has issued instructions to recover the seigniorage charges for C.N.S. soils and ordinary earth from the contractors duly reimbursing the same in the same bill to avoid hardship and also to avoid interest charges vide Memo No.CE/P/TB/CDP/TSI/Seigniorage charges 2002, dated 07-11-2004. It is submitted that as per the instructions of the 2nd respondent the seigniorage charges will be recovered and reimbursed in the same bill."

5. In view of the statement of the respondents that the seigniorage charges will be recovered and reimbursed in the same bill, no further adjudication is necessary in the writ petition.

6. Accordingly, recording the statement of the respondents in their counter-affidavit, the Writ Petition is disposed of. No costs.

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September 6, 2005

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